

**JOINT ELECTED  
OFFICIALS' MEETING**

October 11, 2005

7:00 p.m.

LCOG, Springfield Conference Room

DISCUSSION/City of Coburg Request for Connection to the Metropolitan Wastewater Management Commission (MWMC) Wastewater Facilities

1. Call to Order

Anna Morrison, Chair, Lane County Board of Commissioners, presided.

Morrison reconvened the meeting of the Board of Commissioners. Present: Bill Dwyer, Bobby Green, Sr., Peter Sorenson and Faye Stewart. County Administrator Bill Van Vactor and Recording Secretary Melissa Zimmer were also present.

City Councilor George Poling called the meeting of the Eugene City Council to order. Present: Andrea Ortiz, Betty Taylor, Chris Pryor, Jennifer Solomon and City Manager Dennis Taylor.

Mayor Sid Leiken called the meeting of the Springfield City Council to order. Present: Dave Ralston, Anne Ballew, Joe Pishioneri, Christine Lundberg, John Woodrow, Tammy Fitch and City Manager Mike Kelly.

2. Public Comment

Mike Blumme, Monaco Coach, Facilities Director for the Oregon Operations, reported that Monaco currently has 2,200 employees on Coburg Industrial Way. He indicated the company has two sanitary systems, each having a large drain field. He commented that currently those two systems are at capacity but their current production is not. He said there were short-term fixes they could do, but it would only be temporary. He added they also have ten acres that are buildable to the north of the site except they can't build on that land until they upgrade their treatment system or join a public sanitary system. He said that ten years ago when Monaco moved from Junction City to Coburg, they thought they were going to get a public system within a few years and that never happened. He added that last summer when they brought Beaver over from Bend to Coburg, one of the considerations in lieu of moving to Indiana was this proposed system. He said they supported the City of Coburg hooking into the MWMC system.

3. City of Coburg Situation

Judy Volta, Mayor of Coburg, explained that the City of Coburg has been put into a situation where they must build a wastewater plant. She indicated that the employment center of Coburg employs people who live in Eugene, Springfield and Lane County but their city is working on getting wastewater facilities to them. She noted they are the last

city of their size in the State of Oregon that is still on septic tanks. She added they have been having nitrate levels rising in their water and something must be done. She noted they have been working with this recognized issue for some time. She said in January 2004 as part of the United Front, a question was asked about working regionally. She noted at that time they sent a letter to MWMC asking if they would consider adding Coburg onto their system. She indicated they did not get a response at that time. She recalled that to the present they have been trying to get a definitive answer.

Volta indicated that Coburg was willing to pay its fair share. She said they could build their own plant but their preferred choice is to hook up to MWMC. She noted their city is between three and six miles from the closest place to hook up. She said to build their own plant would cost a little more, but it would also take more time and the outfall would be the McKenzie River. She indicated another reason why they want to be part of the MWMC is that from a regional perspective it makes sense. She noted they are currently part of the Metropolitan Planning Commission, have worked with United Front, and work with transportation issues. She said they have tried to be cooperative players in this. She said for the reason of having a large employment center in Coburg, they want to work with the MWMC. She said they had been told that their output would represent three percent of the projected 20-year outflow. She said they would be willing to pay on a user basis. She asked the elected officials to do what they think is right and they could work to see that it happens. She asked the elected officials to make a decision tonight so they don't keep going back to wait.

Sorenson asked what the steps were for government approval of taking the sewage to the MWMC.

Milo Mecham, LCOG, explained there are different land use activities that change the Metro Plan and the Comp Plan to build this in the rural area. He added that an IGA needed to be drawn up between the jurisdictions. He noted that Coburg would have to adopt certain ordinances with regard to pre-treatment.

Stewart asked how long it would take to hook the system up.

Volta said they want a system by 2008.

Stewart asked if all of Coburg would be hooked up by then.

Volta noted that they have a total of 400 households.

#### 4. Report on Issue

Susie Smith, Environment Services Manager, City of Springfield, explained that Attachment A was the best case scenario and it didn't include any problems that might occur with land use appeals or anything else that might intervene in the process. She thought the processing costs would be around \$800,000.

Smith indicated what staff is requesting is that they review the entire question on page 20 and give direction on how to proceed for additional follow-up.

Green asked what would happen if one of the jurisdictions didn't approve the Metro Plan amendment.

Greg Mott, City of Springfield, said one solution is a mediation process with MPC, as it is provided for that. He added the Comprehensive Plan calls for the adoption of identical ordinances. He said there was no recourse to appeal a denial to LUBA. He said it would have to come back in a different form.

Leiken asked what Junction City's interest was and if they moved forward on the issue of Coburg, what the separation would be between the cities.

Smith indicated that Junction City contacted her as they were finalizing their wastewater facility plan. She said they were under an order by the DEQ because of environmental contamination with their facility. She said their city manager directed their public works director to contact them and inquire about the availability of a hook-up to their system. She spoke with the public works director and told him about the process they were in with Coburg.

Dwyer didn't want to deal with Junction City while they are working with Coburg. He said if they think the Coburg issue has merit then he wants to move forward with that.

Ralston asked if there were any difficulties with the timeline.

Smith indicated they had not identified the staff or financial resources to staff this yet.

Ralston asked what additional planning would have to take place to hook up Coburg in order to get it approved.

Smith suggested staying the course with the projects that are underway. She noted that if they bring the projects on board in the timeframe of 2009/2010, they would incorporate the increments of Coburg into the facilities plan and not have to do a separate planning study. She believed most of the work on the Coburg issue would be planning staff in the jurisdiction processing the various land use plan amendments. She added that they hadn't found the resources for this yet.

Mott explained that the Metro Plan already contains two exceptions to the limitation to extending sewers outside of the UGB. He said there is nothing magical about doing this but there is no indication as to how long it would be from start to finish, and problems along the way.

Smith said another issue is what is cost effective to Coburg in the hooking up scenario, where they would become another set of users in the Eugene Springfield area. She added when looking at scenarios one and two, and taking Coburg's chunk of the overall value of

the system that has been established over all these years, it is not a cost effective solution for them. She asked if they should have the same economic benefit as the existing property owners.

Dwyer commented that nothing should get done unless they deal with the cost and the planning associated with the dual tracks. He supported a dual track system. He said he knows that collectively they, as a community, are committed to something happening. He wanted to try to solve this problem on a regional basis.

Leiken said they should look at this as 3,000 jobs where most don't live in Coburg. He thought they would have to make the decision to move forward. He thought it was worth the risk to move forward. He didn't know if the state would look to Coburg to build its own facility. He didn't know if it would be quicker to settle this through MWMC, and that is what they have to determine.

Sorenson asked if payment for Coburg would be comparable to what people in the Santa Clara/River Road area pay.

Smith responded that Coburg is requesting a scenario that is parallel to a baseline as though it were a Eugene or Springfield resident so they wouldn't have to pay more.

Volta indicated that Coburg wanted to pay its fair share. She said they are asking the joint elected officials about whether they want Coburg to be part of the MWMC. She added they would go from there with the processes. She wanted the joint elected officials to work with them on the issues. She wanted a definitive answer for Coburg.

Green asked how the costs would be handled.

Smith indicated that within the urban growth boundary people have to annex into the city and pay SDC. She noted the processing would be from \$520,000 to \$800,000. She added that because they don't have staff available to work on this, it is based on an RFP and having consultants do the work. She noted the cost numbers in scenario one and scenario two are based on their SDC methodology -- about the difference with new users and capacity and existing available capacity.

Green requested a copy of a model used in Salem. He didn't think the option for Coburg doing this alone was a good one. He thought they could make this happen.

Lundberg supported hooking up to MWMC. She said timing would facilitate the process happening sooner. She asked Volta where the City of Coburg wanted to be.

Volta responded that they want to pay their fair share and realize it is a range. She indicated that they have promises of federal assistance and other partners that would make it affordable and not hurt MWMC's financial standing. She added they would also be paying their share of planning. She commented that they are not asking to be full

partners; they want to be a user. She said they have a moral obligation to be fair in what they are willing to pay and not exorbitant on what they charge.

Lundberg asked how they would be charged outside of a taxing area.

Smith indicated that the difference is the current system has been planned for within the urban growth boundary. She noted that planning of the capacity and construction had been built for that area and the projected flow and loads that would occur over time with the population growth in the UGB. She said with the updated facilities plan, and the model cost from the perspective of everyone living in the planning boundaries, there had been no capacity plan for Coburg in the current construction. She said in the SDC methodology, there is a site where they factor in existing available capacity and what is required to support new capacity. She noted that all of the people in the UGB have planned for a share of existing capacity. She said that Coburg, which is outside the area, gets attributed to requiring all new capacity. She said it comes down to whether they build their own facilities or join in an increment with MWMC. She said they are paying for an increment of new capacity to be added to the facilities. She explained that was how they got to scenario one and two.

Mike Kelly, City of Springfield, wondered under what assumption would Coburg become part of the system. He asked about cost parameters, if the direction is to allow them to connect, but not in a cost manner that allows them to make that decision in lieu of building their own plant. He commented they need to do a baseline model to keep Coburg's request like any other subdivision in Springfield or new user in the Eugene or Springfield urban growth boundary. He commented if they went with Options b) or c), it treats them as if they were outside the system. He said they provided a capital improvement project to build capacity for Eugene and Springfield residents only for 20 or 25 years. He said that Coburg's request under Options b) and c) has committed capacity outside so it is much more expensive. He added it is not inside the urban growth boundary and it adds capacity beyond what is to now projected within the next 20 years. He said Coburg didn't want that, they wanted to be considered within the capacity allocation for the next 20 to 25 years. He said they have to determine what cost parameters to use.

Betty Taylor commented that Coburg should pay for all of the planning. She asked if there was any guaranty that it wouldn't lead to development between facilities.

Smith responded that is one of the issues that Coburg and the elected officials would need to work on. She said they could all agree to a prohibition as a condition. She indicated that would be one of the complex issues they would be working on to sort out all of the discussions and agreements.

Betty Taylor asked how they could guaranty that it wouldn't raise rates.

Smith said of the two scenarios they used with the SDC methodology, Scenario 2 is the one the staff analyst believes comes closest to capturing all of the costs or Scenario C, which is what Coburg is requesting.

Betty Taylor asked what would happen if there were challenges.

Mott thought the issues mentioned earlier with the UGB could be a problem. He said they could include a policy to the Metro Plan that addresses that. He said to allow it would require an amendment to the Metro Plan. He said they couldn't enact something today that future elected bodies would have to do it on their own. He said the process would be a requirement to amend the Metro Plan and if the parties at that time couldn't agree, it couldn't happen.

Betty Taylor asked if Monaco Coach was not located in Coburg, if a wastewater plant would not be needed.

Volta said if they were just a little city, they probably wouldn't. She said they have to because they are a regional employment center. She indicated that most employees live and work in Springfield and Eugene.

Stewart commented that they already have a system in place that is working and for Coburg to build a new plant and discharge into the McKenzie River or put up a system environmentally that appears to be more correct than the present system that they have, MWMC system is the cutting edge of new technology, and developments Coburg wouldn't be able to afford. He thought it was more important to be a part of a larger system. He noted for health needs, they have a large water contamination problem with nitrates caused by failing septic systems in Coburg. He thought it was a serious problem. He encouraged the elected officials to move forward in any way possible.

Leiken commented that with protected farmland, they make sure Measure 37 is covered. He thought a hearing was the right thing to do as well as move forward with MWMC. He didn't think the addition of Coburg could cause a challenge.

Poling echoed Dwyer, Stewart and Leiken's comments. He said that something has to be done or they would have polluted the groundwater. He commented that it was better to hook Coburg up to the MWMC system, as the added capacity that Coburg would bring would not be a major problem. He thought they needed to move forward with a work session to discuss governance technical issue, water quality, who pays for planning, growth, cost, care share and construction

Sorenson asked if adding the 400 homes of Coburg deleted 400 homes in the Eugene and Springfield area, in terms of the planning that had been done.

Smith indicated they built it with a population projected to 2025. She said their urban growth boundary would not be completed with the build-out. She noted at some point before they violate their permit, they would add to the facilities plan the flow and load

demands of Coburg's projected growth to ensure that its unit of capacity requirement is added to their growth over time. She indicated they have the capacity to hook up more users as long as they keep building the projects with the existing system.

Ortiz wanted to continue the conversation as long as the price tag was not too high.

Fitch commented that Scenario 2 sounded good, but the chances were they would negotiate and they are going to make sure that the residents don't pay for the increases. She thought this scenario could be played again and they want to preserve the ecology of the area and not have another flow into the river. She thought they should start to move forward.

Pryor noted the question was is it better to add another outflow point to a river or is it better to add three percent to an existing facility with a track record. He thought it would be better to add three percent to an existing facility instead of adding an out point to a river. He noted they were already planning a major capacity expansion process and they could add Coburg on to that but there would be a cost consideration. He said they need to consider how those numbers will impact the overall cost of the project so they don't wind up paying more to add capacity. He was comfortable providing direction to continue working on a way to hook up Coburg to MWMC in a way that doesn't create an undue financial burden on the citizens.

Morrison commented that she served on the MWMC when the request first came in. She said she saw dragging of feet regarding working with Coburg on this project from the first time it was presented to the MWMC. She thought there were some issues that needed to be addressed. She hoped they would try to make this happen and be proactive. She was willing to go forward and look at the cost comparisons.

Morrison asked if there was any objection to move forward to look at further information and answer the questions the respective bodies might have.

Ballew hoped that Coburg kept the option of building its own facility. She didn't want them to be held back.

There was no objection by the elected bodies to move forward.

Van Vactor assumed that this would reappear on the Lane County's agenda and they would give specific direction at that time instead of giving direction tonight.

Leiken asked that they bring this to their agenda review on Friday and to add it to their process.

Green had no objections. He hoped there would be creative thinking on blending or a dual track.

Fitch asked to also bring this back to the City of Springfield. She wanted the ability to negotiate an RFP that will have buy in from Coburg to start the process.

Dennis Taylor said they have work sessions scheduled between now and the beginning of the year. He asked if they took this issue up, what other issue would be displaced to give this a timely resolution. He added that there are technical issues that are more complex than just going forward. He thought it would take longer than getting done by December 5 and he thought it might be an issue.

Poling suggested discussing this on Monday with the mayor regarding the information and comments.

Fitch indicated that Springfield would take this up before December 5.

Morrison thought through the SEL process they could communicate how they are moving forward. She added that the communication with Coburg needs to take place so they know where the elected officials are. She hoped that Coburg would have some type of indication on what the three jurisdictions would do by January 1.

Volta hoped there could be a timeline. She asked for each of the bodies to think about this and give them direction so they could proceed.

Commissioner Morrison adjourned the meeting and the Board of Commissioners at 8:55 p.m.

Mayor Leiken adjourned the meeting for the Springfield City Council at 8:55 p.m.

Councilor Poling adjourned the meeting for the Eugene City Council at 8:55 p.m.

Melissa Zimmer  
Recording Secretary

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Sidney W. Leiken  
Mayor

Attest:

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Amy Sowa  
City Recorder